

REMARKS

In response to the non-final Office Action mailed October 30, 2008, Claims 1-2, 4, 7-11, 12-13, 16, 18-22, and 27-28 have been amended, and Claims 24 and 26 have been canceled. As a result, Claims 1-4, 7-15, and 18-28 are pending. The Applicants respectfully assert that no new matter has been added by the present amendments. The Applicants also respectfully assert that as a result of these amendments, as well as the remarks below, all of the pending claims are now in condition for allowance.

Claim Rejections under 35 U.S.C. § 102(b)

Claims 1-4, 7-15, and 18-28 were rejected under 35 U.S.C. § 102(b) as being unpatentable over U.S. Publication No. 2002/0116331 to Cataline et al. (“*Cataline*”). In *Cataline*, the payment initiator may select one of several accounts to “schedule electronic, paper or other payments . . . through an integrated and relatively streamlined interface.” (See *Cataline*, Paragraph 0020). The payment system of *Cataline* may also “automatically drive transactions from source funds to recipient accounts using the most efficient transfer mechanism available for the payment the user has selected. For instance, a payment initiator may select to have a payment made on a credit card account by way of a check or other payment or instrument drawn on a deposit account by a certain day of the month while maintaining funds availability for the longest possible time.” (See *Cataline*, paragraph 0023). However, the Applicants respectfully contend that *Cataline* does not teach, suggest, or motivate the functionality described in the amended claims.

The Applicants respectfully assert that *Cataline* does not teach, suggest, or motivate the claim elements of amended independent Claim 1. The claim elements of amended independent Claim 1 include:

determining, at the payment service provider processor, a plurality of debit options applicable for debiting the payor account, wherein each debit option is associated with a plurality of processing factors;

selecting, by the payment service provider processor, at least one processing factor of the plurality of processing factors based on a preference associated with at least one of (i) a consumer service provider associated with

the payor, or (ii) the payment service provider;

evaluating, at the payment service provider processor, each debit option of the plurality of debit options based on the at least one processing factor;

automatically selecting, at the payment service provider processor, one of the plurality of debit options based, at least in part, on the evaluating

(See *supra*, amended independent Claim 1, *emphasis added*). The amendments to independent Claim 1 are supported by the specification. (See Applicants' Application No. 10/631,972, e.g., paragraphs 0151, 0153-0154, 0181, 0183).

Nowhere in *Cataline* does it teach, suggest, or motivate "selecting . . . at least one processing factor of the plurality of processing factors based on a preference associated with at least one of (i) a consumer service provider associated with the payor, or (ii) the payment service provider," as described in amended independent Claim 1. In contrast to the process described in amended independent Claim 1, *Cataline* discloses the payment initiator as the entity that selects "one or more variables by which the transaction will be optimized including cost, schedule, rewards and other criteria." (*Cataline*, paragraph 0055; optimization selector box 310 in FIG. 3). However, having the payment initiator select the variables by which the transaction will be optimized may cause added risk, expense, and/or inefficiency for the payment service provider entity (or entities) delivering and/or processing the payment transaction.

One of the advantages the process described in amended independent Claim 1 provides is that the selection of one of the processing factors based on a preference associated with either the consumer service provider (CSP) and/or the payment service provider allows the CSP and/or the payment service provider entities to have more control over the services provided to the payor. This additional control allows the CSP and/or the payment service provider to better mitigate risk and/or expense in providing payment services to a payor while improving overall efficiency in payment processing. Although the preference(s) of the payor may also be considered by the processing entities, amended independent Claim 1 states that it is the preference(s) of the CSP and/or the payment service provider that selects the processing factor(s) to evaluate the debit options for electronic payment processing.

Further, the Applicants' specification describes the importance of the payment service provider(s) having control over optimizing the electronic payment processing given the need to improve previous techniques in providing electronic payment services while minimizing the payment service provider(s) exposure to additional risk. (See Applicants' Application No. 10/631,972, e.g., paragraph 0039). Moreover, the payment service provider's experience and business needs in electronic payment processing allow for the payment service provider(s) to be in the best position to determine which factors should be considered when selecting debit options for use in processing electronic payment transactions. (See Applicants' Application No. 10/631,972, e.g., paragraphs 0151).

For at least the reasons stated above, the Applicants respectfully assert that *Cataline* does not teach, suggest, or motivate the amended claim elements recited in independent Claim 1. More specifically, *Cataline* does not teach, suggest, or motivate at least "selecting, by the payment service provider processor, at least one processing factor of the plurality of processing factors based on a preference associated with at least one of (i) a consumer service provider associated with the payor, or (ii) the payment service provider" Therefore, the Applicants respectfully assert that amended independent Claim 1 is not anticipated by *Cataline* and is in condition for allowance.

Additionally, the Applicants respectfully assert that all remarks addressed to the novelty of amended independent Claim 1 are also applicable to amended independent Claim 12. Therefore, the Applicants respectfully assert that amended independent Claim 12 is also in condition for allowance for at least the same reasons as amended independent Claim 1. Further, each of the pending dependent Claims 2-4, 7-11, 13-15, and 18-28 are allowable as a matter of law as being dependent on allowable base claims, notwithstanding the independent recitation of patentable subject matter that may be described in one or more of the dependent claims.

As an example of further patentable features included in the dependent claims, the Applicants respectfully contend that *Cataline* does not disclose, teach, suggest or motivate the additional elements of amended Claims 8-11 and 19-22. Each of those dependent claims describe processing that occurs when "evaluating each debit option of the plurality of debit options based on the at least one processing factor comprises a first of the plurality of debit options and a second of the plurality of debit options producing the same result." In other words,

dependent Claims 8-11 and 19-22 describe “tie-breaking rules” processing when the evaluation of the debit options results in two or more debit options having the same evaluated value (e.g., a “tie”). (See Applicants’ Application No. 10/631,972, e.g., paragraphs 0189-0191). This type of automatic conflict resolution in payment processing described in dependent Claims 8-11 and 19-22 is not taught, suggested, or motivated by *Cataline*.

The Applicants believe they have responded to each matter raised by the Office Action. Allowance of the claims is respectfully solicited. If there are any issues that can be resolved by a telephone conference or an Examiner’s amendment, the Examiner is invited to call the undersigned attorney at (404) 853.8253.

CONCLUSION

The Applicants believe they have responded to each matter raised by the Office Action. Allowance of the claims is respectfully solicited. It is not believed that extensions of time or fees for addition of claims are required, beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 CFR § 1.136(a), and any fee required therefore (including fees for net addition of claims) is hereby authorized to be charged to Deposit Account No. 19-5029.

Respectfully submitted,
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